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From:	Matt Ronen [MRonen@glgroup.com]
Sent:	Wednesday, July 30, 2008 11:03 AM
To:	Nick Barnard
Cc:	Kylie Wright-Ford
Subject:	RE: Meeting notes, Council Leadership meeting, July 29

Nick,

Thanks for the opportunity to speak today at the group head meeting. I'm glad I was able to briefly provide the MSR perspective of poor performing CM's and even suggest some ways of tackling the problem.

Here is a brief outline of what I covered:

1) The Problem:

Council Member quality control is an enormous challenge for us. Inevitably, a percentage of the interactions we facilitate will be unsuccessful because the Council Member misrepresented his/her expertise or was just plain awful. Acknowledging that "bad apple" Council Members are unavoidable, the issue I want to address is not the entirety of Council Member quality control, but rather problem of bad CM's that are GTC'ed multiple times. Put another way, it's one thing to get burned once, but it is another matter entirely to get burned twice, three times or even more. Given our model and our clientele, we simply can't afford to continue to offer the same poor performing CM's the opportunity to harm the value of our brand. This is doubly true with our Leaders and Scholars. By finding a scalable solution to this problem, overall Council Member quality control will be drastically improved, to the ultimate benefit of our clients.

2) The Solution:

The solution I want to propose considering is a system of "strikes" against measurably poor performing Council Members. [There would need to be a method for identifying and defining instances that call for a strike—when Council Members fall woefully short of their obligations to our clients. Defining a "bad apple" consultation is something that would benefit from input from several RM's and Council Managers (i.e. billing problems that border on fraud).]

As I envision this strike system now, once a CM receives <u>two strikes</u> against him/her, the CM would no longer be permitted to speak with clients unless requested by name. The CM would also no longer be permitted to be given to the firm where the strike occurred. However, CM's would have the ability to erase strikes. For example, 100 positive projects after the strike occurred the strike would be wiped away. I'm sure other considerations will be brought up in a larger forum.

Obviously, if this solution is to be scalable and effective it will have to rely heavily on our systems. From the conversations I've had with the Research Ops team, Steve Newhouse and Mark Naman would be our likely contacts on this kind of project. Also noteworthy, if this type of change to Vega is to receive support and resources from upper management, we must make clear that <u>removing bad apple CM's will first and foremost benefit clients</u>. Indeed, our number one client complaint is arguably "the bad consultation." Anecdotally, for every bad consultation it takes about ten good consultations to restore client confidence in our service. That number is exponentially higher when it comes to clients that are new to GLG.

3) The Opportunity:

Lastly, I want to quickly mention why I see this as an enormous opportunity for GLG, beyond the obvious benefits of weeding out radioactive CM's and improving client satisfaction. Perhaps the

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greatest opportunity of this initiative lies in the future marketing of our network. Today, GLG's expert network is larger than our competitor's networks in the investment community space. However, a competitor such as Linked In, can possibly surpass us in shear network volume. By marketing our Councils as selective and Council membership contingent upon quality, we will be able to better position ourselves as the premium expert network. This type of marketing will certainly appeal to our clients. As a byproduct, it will also appeal to more discerning consulting candidates and attract the best subject matter experts to GLG.

As was said yesterday, if we do want to push this initiative, I propose forming a group/working group, made up of representatives from Council Management, Research Management and a liaison to Research Ops, and with the explicit goal of solving this problem.   Let me know when you'd like to discuss.

Regards,
Matt

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From: Nick Barnard
Sent: Tuesday, July 29, 2008 11:48 PM
To: Kylie Wright-Ford; Matt Ronen
Subject: FW: Meeting notes, Council Leadership meeting, July 29

Kylie and Matt,

Thanks for joining the Council Head meeting this morning. Please see my meeting notes below and let me know if I missed anything.

Thanks,

Nick

From: Nick Barnard
Sent: Tue 7/29/2008 11:46 PM
To: Austin Council Heads
Subject: Meeting notes, Council Leadership meeting, July 29

Folks,

We had a pretty packed meeting today so I've recorded some notes below. Action items are marked in **bold underline.**

Kylie and Matt from MSR:
- Kylie explained the different nature of MSR in that they're using our systems and search tools more like a client than like Practice Area RMs. For example, they use Lucene search more than PA RMs.

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- Matt highlighted an incident where a GLG Leader received very poor feedback from a client. Matt believes we need to protect our brand more diligently and that the MSR team can help identify risky CMs to Council Management. He also talked with Mike Mallin about potentially building a 3 strike system whereby a CM would lose (and potentially regain) consulting eligibility based on client feedback. We must be especially concerned with risks posed to us by assets we market prominently, like GLG Leaders. We discussed the fact that some CMs with great bios might no longer be experts and we might need to retire them, or create an alumni club.
- **Action items (Ronen / Barnard)**: Matt and Nick to discuss recommended next steps with Mallin and form a small group of folks to address.
- **Action items (Barnard)**: Nick to request a report of Leaders and Scholars with feedback scores = 1 or 2 in the last 3 months.
- Finally, Kylie announced her "reduce the red" campaign designed to encourage Research Managers to close the loop and communicate more effectively with our Council Members. She hopes to roll out the program more broadly with Research but will definitely start with MSR. We discussed system mechanisms to send automated not given or not called emails. Those will all be considered by Mayokia's task force …

Mayokia – Member Solutions:
- Mayokia is spearheading a "signal to noise" task force designed to identify near-term behavior or technology solutions we can develop to mitigate the signal to noise ratio for our CMs. Ultimately, we hope the changes increase CM happiness. Mayokia is cobbling together a task force and hopes to have a presentation ready for dissemination by the end of August.
- Mayokia gave some great takeaways from a leadership conference she attended last Friday. As leaders, we must laugh, set clear objectives, stay positive, and find the pony in the manure.
- We are sending 700 Leaders to The Work Number this week for employment history checks. Updated list of Leaders not yet consented to a background check consent will be released Friday.   On August 1, we will need to evaluate each case and determine which Leaders need to be placed on-hold.

Project ███████: see my email from yesterday afternoon. We're on pace.

MSR:
- Jen is seeking to leverage the great recruiters in the MSR team in our strategic executive recruiting efforts.
- **Action item (████████)**: Jen will send relevant Recruiting Managers on each team a calendar item to submit 1 lead in Brazil and 1 executive lead in each PA to the MSR team each month.

Events:
- ████████: no imminent action items from ██████.
- BrazilWeek: finalize topics and CMs by Friday. If you need recruiting for an event, please submit to Stephanie McNeill.
- **Action item (Barnard)**: Nick to meet with ████████████ and discuss the BrazilWeek program and possibility of including an appendix of other resources available to help clients on Brazil.
- AFA webcast: Don will brief us on the first AFA webcast tomorrow, featuring over 200 client RSVPs.
- Teleconference ideas: propose at will.

Member Programs:
- Highly paid CMs should now be on the clock to get their consents in.
- **Action item (All)**: please share the highly paid list with your Research and recruiting teams to prep for any imminent DNCs.
- We discussed the need to ensure all relationship managers at GLG are on the same page with regards to our exclusivity language. We also all agreed that both the standard and fallback Leaders agreement applies to LinkedIn.
- **Action item (Nguyen)**: Coordinate refresher training on exclusivity provisions.

Council Partners:

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- CP Summit: 17 out of 20 speakers are confirmed. Strong work. Let's finalize the lineup and begin marketing to clients and Partners alike.
- Syndicated reports pilot: Nam and Meg are working on some draft workflows for the sales of syndicated products. They're researching issues like refund policies.

Other:
- Testing a new payment structure on referrals. Pepper working on a load balancing pilot proposal for Austin to help Europe and Asia.
- Mukesh is helping spearhead a Council Management task force delivering feedback on our product development priorities. Stay tuned.
- Chris raised the NPS score and our past survey as a discussion topic. We agreed to rerun the survey.
- **Action item (Lado / Barnard)**: craft next steps for rerunning the survey.
- Editor's picks: I passed out a one-pager from David Temple on the Editor's Picks concept. Please feel free to review and pass David feedback.
- Presentation training: 3 teams will rotate through 2, 3-hour blocks of presentation skills training next week. Your feedback is welcome to maximize impact of the training.

Let me know if I missed anything.

Thanks,
Nick

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